

# HOUSE BILL No. 1135

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-8-5-15.6; IC 27-13-7-14.8.

**Synopsis:** Coverage for substance abuse services. Provides that mental health coverage provided under accident and sickness insurance policies and contracts with health maintenance organizations must include coverage of services for the treatment of substance abuse and chemical dependency when required in treatment of a mental illness.

**Effective:** July 1, 2003.

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January 7, 2003, read first time and referred to Committee on Insurance, Corporations and Small Business.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1135

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 27-8-5-15.6, AS AMENDED BY P.L.81-1999,  
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2003]: Sec. 15.6. (a) As used in this section, "coverage of  
4 services for a mental illness" includes the services defined under the  
5 policy of accident and sickness insurance. ~~(as defined in IC 27-8-5-1).~~  
6 ~~However,~~ The term ~~does not include~~ **includes** services for the treatment  
7 of substance abuse ~~or~~ **and** chemical dependency ~~when the services are~~  
8 **required in the treatment of a mental illness.**  
9 (b) This section applies to a policy of accident and sickness  
10 insurance ~~(as defined in IC 27-8-5-1)~~ that:  
11 (1) is issued on an individual basis or a group basis;  
12 (2) is issued, entered into, or renewed after December 31, 1999;  
13 and  
14 (3) is issued to an employer that employs more than fifty (50)  
15 full-time employees.  
16 (c) This section does not apply to the following:  
17 (1) An insurance policy listed under IC 27-8-15-9(b).



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(2) A legal business entity that has obtained an exemption under ~~IC 27-8-5-15.7~~ **section 15.7 of this chapter.**

(d) A group or individual insurance policy or agreement may not permit treatment limitations or financial requirements on the coverage of services for a mental illness if similar limitations or requirements are not imposed on the coverage of services for other medical or surgical conditions.

(e) This section does not require a group or individual insurance policy or agreement to offer mental health benefits.

(f) The benefits delivered under this section may be delivered under a managed care system.

SECTION 2. IC 27-13-7-14.8, AS AMENDED BY P.L.81-1999, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 14.8. (a) As used in this section, "coverage of services for a mental illness" includes the services defined under the contract with the health maintenance organization. ~~However, The term does not include~~ **includes** services for the treatment of substance abuse ~~or and~~ chemical dependency **when the services are required in the treatment of a mental illness.**

(b) This section applies to a group or individual contract with a health maintenance organization that:

(1) is issued, entered into, or renewed after December 31, 1999; and

(2) is issued to an employer that employs more than fifty (50) full-time employees.

(c) This section does not apply to a legal business entity that has obtained an exemption under IC 27-8-5-15.7.

(d) A group or individual contract with a health maintenance organization may not permit treatment limitations or financial requirements on the coverage of services for a mental illness if similar limitations or requirements are not imposed on the coverage of services for other medical or surgical conditions.

(e) This section does not require a group or individual contract with a health maintenance organization to offer mental health benefits.

SECTION 3. [EFFECTIVE JULY 1, 2003] **(a) IC 27-8-5-15.6, as amended by this act, applies to a policy of accident and sickness insurance that is issued, delivered, amended, or renewed after June 30, 2003.**

**(b) IC 27-13-7-14.8, as amended by this act, applies to a group or an individual contract with a health maintenance organization that is entered into, delivered, amended, or renewed after June 30, 2003.**



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